

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (“Forbearance Agreement”) is executed as of March 30, 2015 (the “Effective Date”) by and among **CENTRAL FALLS DETENTION FACILITY CORPORATION** (the “Corporation”), the **CITY OF CENTRAL FALLS** (the “City”) and **U.S. BANK NATIONAL ASSOCIATION**, as successor indenture trustee for the Bonds described more particularly below (the “Bond Trustee”). Each of the Corporation, the City and the Bond Trustee may be referred to herein as a “Party” and, collectively, as the “Parties”.

RECITALS

WHEREAS, the Bond Trustee serves as successor indenture trustee for the Central Falls Detention Facility Refunding Bonds (the Donald W. Wyatt Detention Facility) Series 2005A (“Bonds”) issued by the Corporation pursuant to that certain Indenture of Trust, dated as of June 1, 2005, by and between the Corporation and the Bond Trustee, as the same may be amended from time to time (the “Trust Indenture”). Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms as set forth in the Trust Indenture. Proceeds of the Bonds were used to expand the Corporation’s detention center (the “Facility”) and refinance certain prior bonds relating thereto; and

WHEREAS, there have occurred Events of Default relating to the Bonds including, but not limited to, the Corporation’s failure to pay required debt service on the Bonds on July 15, 2014 and January 15, 2015, pursuant to **Section 11.1(i)** of the Trust Indenture and to replenish draws on the Reserve Fund to the Reserve Requirement that were made to pay a portion of the debt service then due on the Bonds on January 15, 2011, January 15, 2012, July 15, 2013 and January 15, 2014, pursuant to **Section 11.1(viii)** of the Trust Indenture (collectively, the “Existing Defaults”); and

WHEREAS, certain additional Events of Default by the Corporation that may occur while this Forbearance Agreement remains in effect, including but not limited to defaults in the payment of a portion of the principal of and interest on the Bonds (the “Anticipated Defaults”) and, together with the Existing Defaults, the “Defaults”); and

WHEREAS, the Parties have agreed to continue to evaluate the financial performance of the Facility over a period of time, negotiate in good faith whether any amendments should be proposed with respect to the Bonds Documents, and during such time the Bond Trustee will forbear from exercising its rights and remedies available to it under the Bond Documents (defined below) and applicable law as a result of the Defaults;

WHEREAS, the holders of a majority in the aggregate principal amount of the Bonds (the “Directing Bondholders”), acting in accordance with **Section 11.2** of the Trust Indenture, have authorized and directed the Bond Trustee to execute and deliver this Forbearance Agreement. The holders of the Bonds are referred to herein as the “Bondholders.”

NOW THEREFORE, in consideration of the consummation of the transactions contemplated by this Forbearance Agreement, the mutual covenants and commitments set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I: GENERAL REPRESENTATIONS

1.1. RECITALS. The recitals set forth above are incorporated herein and form an integral part of this Forbearance Agreement.

1.2. REPRESENTATIONS, ACKNOWLEDGEMENTS. The Corporation acknowledges that as of the date hereof: (i) all obligations of the Corporation under the Trust Indenture, a Mortgage and Security Agreement granted by Respondent to the Bond Trustee dated as of June 30, 2005 (the "Mortgage"), and Title 45, Chapter 54 of the Rhode Island General Laws, among other instruments (the "Act" and, together with the Trust Indenture, Mortgage and all other documents evidencing or securing the Facility Bonds, the "Bond Documents") constitute valid and binding obligations of the Corporation; (ii) the outstanding principal amount of the Bonds as of the date hereof is \$97,300,000; (iii) the accrued interest on the Bonds as of January 27, 2015 is \$5,591,081.86; and (iv) the Corporation's obligations under the Bond Documents are not subject to any defense, set-off, reduction, claim or counterclaim of any kind or nature whether at law or in equity. The Corporation represents that: (i) all representations and warranties of the Corporation under this Forbearance Agreement are true and correct as of the date hereof, and shall survive the execution or termination of this Forbearance Agreement; and (ii) the Corporation is authorized to enter into this Forbearance Agreement and, upon execution and delivery hereof, this Forbearance Agreement will be a legal and binding obligation of the Corporation.

1.3. BOND DOCUMENTS. The Corporation acknowledges that: (i) as of the date of this Forbearance Agreement, Defaults described in the recitals are continuing; and (ii) there may in the future exist additional Events of Default, or defaults that, with notice and/or the passage of time, would constitute Anticipated Defaults and/or Events of Default under various provisions of the Bond Documents.

ARTICLE II: FORBEARANCE

2.1. FORBEARANCE. Pending the occurrence of a Termination Event (defined below), the Bond Trustee shall forbear from exercising further remedies based on the occurrence and/or continuance of Defaults. Subject to the occurrence of an event identified at Section 4.1(i), (ii) and/or (iii), and Section 4.2(i), (ii) and/or (iii), (a) on July 15, 2015, the Corporation is authorized to transfer to the City \$100,000, and (b) on August 15, 2015 and on the 15th day of each month thereafter (or next business day if the 15th is not a business day), the Corporation is authorized to transfer to the City \$16,666.66 (i.e., an aggregate of up to \$800,000 during the term of the Forbearance Agreement), from Revenues, to the extent there are funds available subsequent to payment of operation and maintenance expenses of the Corporation.

2.2. CONTINUED NEGOTIATIONS. Pending the occurrence of a Termination Event, during the term of this Forbearance Agreement the Corporation and the Bond Trustee (acting at the direction and with the consent of the Directing Bondholders) shall continue good faith negotiations regarding the Corporation's obligations with respect to the Bonds, compliance with the Bond Documents, and all options to maximize the value of the Corporation, both during and subsequent to the term of this Forbearance Agreement. At their discretion, the Corporation and Bond Trustee may include other parties to participate in such good faith negotiations, including

the City and employee representatives.

2.3. STIPULATIONS REGARDING FORBEARANCE.

(a) The agreements by the Bond Trustee in this Forbearance Agreement (x) are not intended to serve as a waiver, release, forgiveness and/or restructuring of any payment or other obligations of the Corporation under any of the Bond Documents, and each of such obligations shall continue in full force and effect, subject to the terms of this Forbearance Agreement; (y) are not intended by the Parties and shall not be construed as a waiver by the Bond Trustee of any existing and continuing defaults under the Bond Documents, it being acknowledged and agreed that no such waiver shall be effected hereby; and (z) are only an agreement to forbear from exercising its rights to otherwise pursue further remedies under the Bond Documents and is in no way intended to limit any rights or remedies the Bond Trustee may have, upon a Termination Event, with respect to any default or Event of Default heretofore, now, or hereafter arising.

(b) The City represents and warrants to and for the benefit of the Bond Trustee and all present and future holders of the Bonds that this Forbearance Agreement shall not have the effect of releasing any Party or entity from liability for repayment of the indebtedness or performance of the obligations evidenced and/or secured by the Bond Documents, including but not limited to the flow of funds set forth at Section 5.6 of the Trust Indenture. The City acknowledges that R.I. Gen. L. Ch. § 45-54-21 provides that “the state pledges to and agrees with the holders of any bonds or notes issued by the corporation, that the state will not limit or alter the rights vested in the corporation to fulfill the terms of any agreements made with the holders until those bonds or notes, together with their interest, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the holders, are fully met and discharged. The corporation is authorized to include this pledge and agreement of the state in any agreement with the holders of the bonds or notes.” The City further acknowledges that Section 14.11 of the Bond Indenture incorporates the State of Rhode Island’s pledge as set forth in R.I. Gen. L. Ch. § 45-54-21.

ARTICLE III: GOVERNANCE AND MANAGEMENT DURING FORBEARANCE

3.1. ADDITIONAL REPORTING BY CORPORATION. The Corporation shall, in addition to all disclosure and reporting obligations set forth in the Bond Documents, provide to the Bond Trustee:

(a) *Access to Financial Data.* The Corporation agrees that any time during the Forbearance Period, the Bond Trustee and any of its advisors and agents, and any Directing Bondholder shall have reasonable access to and may confer with the Corporation regarding the financial condition of the Corporation. The Corporation shall make available to the Bond Trustee any information reasonably requested relating to the financial condition and business operations of the Corporation; and

(b) *Average Daily Population.* The Corporation shall provide to the Trustee on a daily basis a written report stating the average daily population of detainees at the Facility for the immediate preceding daily period (the “ADP”).

(c) *Efficiencies Consultant.* At the Corporation's expense, the Corporation shall employ an independent efficiencies consultant (the "Independent Consultant") to audit and evaluate operational efficiencies and revenue growth opportunities and to prepare a report to the Corporation and make recommendations with respect to the operations and management of the Facility within 60 days of engagement. The Independent Consultant is hereby authorized by the Corporation to deliver a copy of any report prepared by the Independent Consultant to the Bond Trustee and City contemporaneous with delivery to the Corporation. The Corporation shall revise or adjust its operations and management in conformity with the recommendations of the Independent Consultant, unless such compliance would compromise the safety, security of the Facility, and/or violate applicable law.

3.2. BONDHOLDER CALLS. For the duration of this Forbearance Agreement, the Corporation shall, at the request of the Bond Trustee, make one or more members of senior management, at least one of whom shall be the Corporation's CEO/Warden, available for periodic public calls with the Bond Trustee and Bondholders to discuss matters relevant to the Bonds, the Facility, this Forbearance Agreement and/or the Bond Documents. Such calls shall be scheduled on dates and at times reasonably acceptable to the Corporation, and not more frequently than once each quarter.

In addition, on or around the 1st and 15th of each month, the Corporation, through its CEO/Warden and other representatives of the Corporation as may be reasonably requested by the Bond Trustee, shall attend a telephone conference call with the Bond Trustee, Bondholders and their respective agents, advisors and/or representatives to discuss the management, financial condition of the Corporation, and such other matters as are relevant or are reasonably requested by the Bond Trustee.

3.3. USE. The Bond Trustee shall be entitled, in its sole discretion, to rely on the reporting described in this **Article III** for purposes of determining the occurrence of any Termination Event, and compliance with (i) this Forbearance Agreement, and/or (ii) the Bond Documents.

3.4 DISMISSAL OF KEEPER PROCEEDINGS. Within three (3) business days of the Effective Date, Jonathan N. Savage, Esq., the Court-appointed Keeper ("Keeper") of the Corporation, shall contemporaneously file and send to all interested parties his (i) Petition for Instructions Regarding this Forbearance Agreement; and his First and Final Report and Recommendation that the Keepership be Dismissed with Prejudice, which the City shall support, in the case captioned R. Kelly Sheridan, Chairman of the Board of Directors vs. Central Falls Detention Facility Corporation C.A. No. 14-3011, pending in the Rhode Island Superior Court (the "Superior Court") before the Honorable Michael A. Silverstein (the "Keeper Proceeding") and the restoration of meetings of the Corporation's Board of Directors within thirty (30) days of dismissal of the Keeper Proceeding. For the avoidance of doubt, the Corporation reserves its rights to commence a receiver or related proceeding subsequent to the termination of this Agreement, and the Bond Trustee reserves all of its rights to contest any such proceeding.

3.5 DISMISSAL OF FINK LITIGATION. Within three (3) business days of the Effective Date, the City shall petition, and the Corporation shall support, the dismissal of the declaratory action in the case captioned City of Central Falls vs. Sanford Fink, Francine Fink and Central

Falls Detention Facility Corporation C.A. No. 12-6512 pending in the Superior Court, together with the consolidated summary process action related thereto (the “Fink Litigation”). The notice of dismissal shall provide the following:

- (i) To the extent the Forbearance Agreement terminates subsequent to the Corporation having made all of the stated payments to the City under Section 2.1(a), the City shall be deemed to have dismissed the Fink Litigation with prejudice and will be forever barred from challenging the tax exempt status of the Corporation (the “Tax Claims”) with respect to real property owned and/or leased by the Corporation as of the Effective Date, including at 835 High Street, Central Falls, RI (the “Fink Parcel”);
- (ii) To the extent the Forbearance Agreement is terminated by the Bond Trustee as a result of a Termination Event other than the Outside Termination Date on or before the Corporation makes its first payment to the City on July 15, 2015 (i.e., \$100,000), the City retains all of its rights to assert Tax Claims against the Corporation, Sanford Fink and/or Francine Fink for real property taxes associated with the Fink Parcel, and the Bond Trustee, Corporation and Sanford Fink and/or Francine Fink retain any and all counterclaims, cross claims and defenses;
- (iii) To the extent the Forbearance Agreement is terminated by the Bond Trustee as a result of a Termination Event other than the Outside Termination Date between (a) the date the Corporation makes its first payment to the City on July 15, 2015 (i.e., \$100,000) and (b) two year anniversary of the Effective Date of this Agreement, then the City retains all of its rights to assert Tax Claims against the Corporation, Sanford Fink and/or Francine Fink for real property taxes accrued on or after January 1, 2014, and the Bond Trustee, Corporation and Sanford Fink and/or Francine Fink retain any and all counterclaims, cross claims and defenses; or
- (iv) To the extent the Forbearance Agreement is terminated by the Bond Trustee as a result of a Termination Event other than the Outside Termination Date between (a) two year anniversary of the Effective Date of this Agreement and (b) the Outside Closing Date, then the City retains all of its rights to assert Tax Claims against the Corporation, Sanford Fink and/or Francine Fink for real property taxes accrued on or after such Termination Event, and the Bond Trustee, Corporation and Sanford Fink and/or Francine Fink retain any and all counterclaims, cross claims and defenses.

3.6 BOARD MEMBERS INDEPENDENT DUTY TO CORPORATION. It is acknowledged and confirmed that each member of The Board of Directors of the Corporation owes their exclusive and independent duty to the Corporation and the Corporation’s creditors for so long as the Corporation remains insolvent. It is further acknowledged that the Bond Trustee, Majority Owner and the City share the common goal of working to ensure the success of the Corporation. In keeping with this common goal, it is agreed that any re-appointment or filling of vacancies shall be made in consultation with and be reasonably acceptable to a representative of the Bond Trustee and Majority Owner. The Parties agree and acknowledge that it is in the best interest of the Corporation to appoint members to the Board of Directors that have demonstrated expertise

in detention centers or similar correctional facilities and that the Mayor of the City will use his or her efforts to fill any vacancies with members with such expertise.

3.7 LIMITATION ON CITY. Except for the appointment of Members of the Board of Directors set forth in Section 3.6 herein, the City (including any authorized representative of the City) shall not be involved in the governance (day to day, or otherwise), management and operations of the Facility, including but not limited to, the Bond Documents, personnel and staffing, budgets, revenue and expenses, management agreements, leases, capital leases, and vendors (including inter-governmental agreements). For the avoidance of doubt, participation in the Blue Ribbon commission described in Section 3.8 and receipt of information from the Corporation from time to time shall not be deemed to be governance, management or operations of the Facility. As set forth at Section 3.2 of the Trust Indenture, neither the City nor the State of Rhode Island is obligated to pay any amounts due on the Bonds.

3.8 NO CONTEST BY BOND TRUSTEE. The Bond Trustee has been informed that subsequent to the Effective Date, the Corporation may make certain administrative changes at the Facility that will not negatively impact the Bond Documents or this Forbearance Agreement. Based upon such representation, the Bond Trustee covenants not to object to the Corporation's (i) decisions regarding choice of counsel or special counsel to the Corporation, (ii) dismissal of that certain appeal relating to the sergeants' petition to unionize; and (iii) formation of a Blue Ribbon commission to review and consider revenue generating initiatives for the Corporation, both during and subsequent to the term of the Forbearance Agreement.

ARTICLE IV: FORBEARANCE TERMINATION EVENTS

4.1. TERMINATION EVENTS ON FIFTEEN BUSINESS DAYS' NOTICE. The occurrence and continuance of any of the following shall constitute a "Termination Event" under this Forbearance Agreement and the Bond Trustee's obligations to forbear under this Forbearance Agreement shall terminate, without any further action, fifteen (15) Business Days after written notice to the Corporation, including reference to the category of asserted default identified in this section 4.1, with a copy sent contemporaneously to the City of the occurrence and continuance of any of the following:

- (i) The Corporation's failure to comply with any covenant in this Forbearance Agreement, including but not limited to each of the provisions at **Article III**;
- (ii) The City's failure to comply with any covenant in this Forbearance Agreement, including but not limited to Articles 3.4, 3.5, 3.6 and 3.7;
- (iii) (y) any other material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), or financial condition of the Corporation that reasonably results in the Corporation's inability to pay current operation and maintenance expenses in the ordinary course or during the subsequent thirty (30)

day period; and (z) a material adverse effect upon the legality, validity, binding effect or enforceability against the Corporation of any Bond Documents; all as determined solely but reasonably by the Bond Trustee; or

- (iv) The commencement by any party other than the Corporation, City, State and/or any other governmental entity of an Insolvency Event that continues unstayed and in effect for any period of forty five (45) consecutive days. As used herein, “Insolvency Event” means the commencement of proceedings naming the Corporation as a debtor under any chapter of the United States Bankruptcy Code, 11 U.S.C. § 101 et. seq., the commencement of receivership proceedings by any party other than the Bond Trustee naming the Corporation or involving a material part of its property, the making of an assignment for the benefit of the relevant Corporation’s creditors, or any substantially similar event or proceeding involving the Corporation.

4.2. IMMEDIATE TERMINATION EVENTS. The Bond Trustee’s obligations under this Forbearance Agreement shall terminate **IMMEDIATELY** and without notice to any Party, without any further action upon the occurrence of any of the following additional Termination Events:

- (i) The commencement by the Corporation, City, State and/or any other governmental entity, or the consent thereto by the Corporation, of an Insolvency Event involving the Corporation;
- (ii) The commencement by the Corporation, City, State and/or any other governmental entity of any action challenging the validity, enforceability, priority or extent of the Bond Trustee’s liens, claims and/or interests with respect to the Bonds, this Forbearance Agreement, or any Bond Document;
- (iii) The failure of the Superior Court to dismiss the Keeper Proceeding prior to April 6, 2015;
- (iv) The Board of Directors for the Corporation’s failure to reaffirm all of its obligations under this Forbearance Agreement prior to April 24, 2015; or
- (v) January 16, 2019 (the “Outside Termination Date”).

4.3. EFFECT OF OCCURRENCE OF TERMINATION EVENT. Upon the occurrence of a Termination Event, and except as otherwise expressly provided in this Forbearance Agreement:
(a) the Bond Trustee’s obligations under this Forbearance Agreement including, without

limitation, to forbear as described herein shall automatically terminate; and (b) the Bond Trustee may immediately commence enforcing all its rights and remedies pursuant to this Forbearance Agreement, Bond Documents, applicable law and otherwise, in such order and manner as the Bond Trustee may determine appropriate in its discretion.

ARTICLE V: ADDITIONAL COVENANTS

5.1. VOLUNTARY ACTION. The Corporation and City, each hereby acknowledge and agrees that (a) it has read and understands the contents of this Forbearance Agreement, (b) it has had the opportunity to consult with counsel of its choice throughout all of the negotiations that preceded the execution of this Forbearance Agreement, and (c) it has acted voluntarily and without duress in connection with the execution and delivery of this Forbearance Agreement after reviewing and understanding each provision herein and without reliance upon any promise or representation of any person or persons acting for or on behalf of the Bond Trustee.

ARTICLE VI: ADDITIONAL TERMS

6.1. CERTAIN DISCLOSURES. Upon execution of this Forbearance Agreement by all Parties, the Bond Trustee may post this Forbearance Agreement, including all Schedules and Exhibits attached hereto (if any), on the Electronic Municipal Market Access Service (available at www.emma.msrb.org) and, for the avoidance of doubt, the Bond Trustee shall be authorized to issue one or more notices to holders of the Bonds disclosing the existence and material terms of this Forbearance Agreement.

6.2. NOTICES. All notices, demands, requests, consents, approvals and other communications (“Notice” or “Notices”) under this Forbearance Agreement shall be in writing and delivered by (i) courier or messenger service, (ii) express or overnight mail, (iii) electronic mail (with a contemporaneous telephone message at the phone number(s) listed below), or (iv) by registered or certified mail, return receipt requested and postage prepaid, addressed to the respective parties as follows:

**IF TO THE
CORPORATION:**

Central Falls Detention Facility
Corporation
Attn: CEO/Warden
950 High Street
Central Falls, RI 02863.

**IF TO THE BOND
TRUSTEE:**

U.S. Bank National Association
Attn: Patricia J. Kapsch, Vice President
60 Livingston Avenue
St. Paul, MN 55107
651-466-5861
651-466-7401

WITH A COPY TO: Mintz, Levin, Cohn, Ferris, Glovsky and
Popeo, P.C.
Attn: William W. Kannel
Adrienne K. Walker
One Financial Center
Boston, MA 02111
wkannel@mintz.com
awalker@mintz.com
617-542-6000

IF TO THE CITY: City of Central Falls
c/o City Solicitor
580 Broad Street
Central Falls, RI 02863

or to such other addresses any Party may hereafter designate. Notice by courier or messenger service or by express or overnight mail shall be effective upon receipt. Notice by electronic mail shall be effective upon delivery by the sender of a confirming telephone message. Notice by mail shall be complete at the time of deposit in the U.S. mail system, but any right or duty to do any act or make any response within any prescribed period or on a date certain after the service of such Notice given by mail shall be, without further action by any party, automatically extended three (3) days.

6.3. MODIFICATION IN WRITING. No amendment, modification, supplement, termination or waiver of or to any provision of this Forbearance Agreement, nor consent to any departure by the Parties therefrom, shall be effective unless the same shall be in writing and signed by the Parties. Any such amendment, modification, supplement, termination, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given. Except where notice is specifically required by this Forbearance Agreement, no notice to or demand on the Parties in any case shall entitle the any Party to any other or further notice or demand in similar or other circumstances.

6.4. ASSIGNMENT; EXECUTION; BINDING EFFECT. The Corporation and/or City shall not assign its respective rights or obligations under this Forbearance Agreement as a whole or in part without the express prior written consent of the Bond Trustee. This Forbearance Agreement shall continue in full force and effect and be binding upon the Corporation, the City, its respective representatives, administrators, successors and assigns and shall inure to the benefit of and be enforceable by the Bond Trustee, its successors, endorsers and assigns.

The Keeper may execute this Forbearance Agreement on behalf of the Corporation pursuant to his powers under R.I. Gen. Laws § 45-54-6(14) and the Order Appointing Keeper entered in the Keeper Proceeding, subject to the approval of the Superior Court.

6.5. GOVERNING LAW. All rights, duties, benefits, and privileges arising under this Forbearance Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Rhode Island.

6.6. PARTIAL INVALIDITY. Every provision of this Forbearance Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Forbearance Agreement.

6.7. RIGHTS CUMULATIVE. The rights of the Bond Trustee under this Forbearance Agreement shall be understood as not excluding any other legal or equitable rights of the Bond Trustee against the Corporation not expressly set forth herein (including but not limited to the Bond Documents), but shall be understood as being cumulative to all other legal and equitable rights of the Bond Trustee arising out of such parties' obligations. No failure on the part of the Bond Trustee to exercise and no delay in exercising any right under this Forbearance Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right under this Forbearance Agreement preclude any other or further exercise thereof or the exercise of any other rights. Except as expressly set forth herein, all rights of the Bond Trustee described in this Forbearance Agreement shall be exercised by the Bond Trustee in its sole discretion (or as required under the terms of the Trust Indenture). For the avoidance of doubt, nothing herein shall be in derogation of any rights the Corporation has under this Forbearance Agreement.

6.8. CONSTRUCTION. Each Party has been represented by counsel of its choice in negotiating this Forbearance Agreement; this Forbearance Agreement shall therefore be deemed to have been negotiated and prepared at the joint request, direction and construction of the Parties, at arm's length, and be interpreted without favor to any Party.

6.9. HEADINGS. The headings contained in this Forbearance Agreement are for convenience and reference only and shall not define, limit or otherwise affect the meaning of any terms or provisions hereof.

6.10. TIME IS OF THE ESSENCE. Time shall be of the essence with respect to each and every of the various undertakings and obligations set forth in this Forbearance Agreement.

6.11. EXECUTION. This Forbearance Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all such counterparts together shall constitute one and the same agreement. Facsimile or PDF signatures on this Forbearance Agreement shall be treated as original signatures for all purposes.

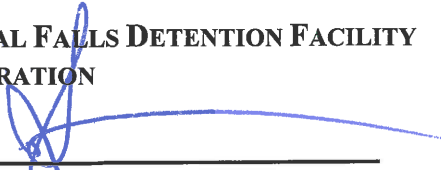
6.12. JURY WAIVER. THE CORPORATION AND THE CITY HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS FORBEARANCE AGREEMENT OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR

ARISING FROM OR RELATING TO ANY RELATIONSHIP EXISTING IN CONNECTION WITH THIS FORBEARANCE AGREEMENT, AND AGREES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THAT ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

[THE BALANCE OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have executed this Forbearance Agreement as of the date first above written.

CENTRAL FALLS DETENTION FACILITY
CORPORATION

BY: 
NAME: Jonathan N. Savage, Keeper
TITLE: As Court-Appointed Keeper
of the Central Falls Detention Facility
Corporation, and not individually

U.S. BANK NATIONAL ASSOCIATION, SOLELY
IN ITS CAPACITY AS BOND TRUSTEE

BY: _____
NAME: Patricia J. Kapsch
TITLE: Vice President

CITY OF CENTRAL FALLS


BY: _____
NAME: _____
TITLE: _____

IN WITNESS WHEREOF, the Parties have executed this Forbearance Agreement as of the date first above written.

**CENTRAL FALLS DETENTION FACILITY
CORPORATION**

BY: _____
NAME: _____
TITLE: _____

**U.S. BANK NATIONAL ASSOCIATION, SOLELY
IN ITS CAPACITY AS BOND TRUSTEE**

BY:  _____
NAME: Patricia J. Kapsch
TITLE: Vice President

CITY OF CENTRAL FALLS

BY: _____
NAME: _____
TITLE: _____

IN WITNESS WHEREOF, the Parties have executed this Forbearance Agreement as of the date first above written.

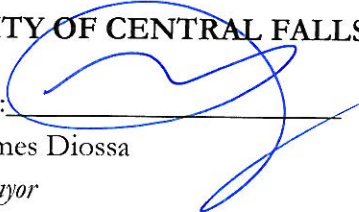
**CENTRAL FALLS DETENTION FACILITY
CORPORATION**

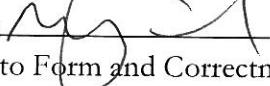
**U.S. BANK NATIONAL ASSOCIATION, SOLELY
IN ITS CAPACITY AS BOND TRUSTEE**


By: _____
NAME: _____
TITLE: _____

By: _____
NAME: Patricia J. Kapsch
TITLE: Vice President

CITY OF CENTRAL FALLS:

By: 
James Diossa
Mayor

By: 
As to Form and Correctness
Matthew Jerzyk
City Solicitor

By: 
Reviewed Per F.S.A.
Leonard Morganis
Administrative and Finance Officer

ACKNOWLEDGMENT

STATE OF Rhode Island)
COUNTY OF Providence) SS.

On this 30th day of March, 2015, before me, the undersigned, a Notary Public, appeared Jonathan N. Savage, to me personally known, who, being by me duly sworn, did say that he is the Keeper of **CENTRAL FALLS DETENTION FACILITY CORPORATION**, a Rhode Island quasi-public corporation, and that said instrument was signed on behalf of said Corporation by authority of its The RI Superior Court and said Keeper acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said Corporation as duly authorized by its managers.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

James G. Atchison
Notary Public - State of Rhode Island
Printed Name:

My commission expires:

12/26/15



ACKNOWLEDGMENT

STATE OF Minnesota)
COUNTY OF Ramsey) SS.

On this 13 day of April, 2015, before me, the undersigned, a Notary Public, appeared Patricia J. Kapsch, to me personally known, who, being by me duly sworn, did say that she is a Vice President of **U.S. BANK NATIONAL ASSOCIATION.**, a national bank association, in its capacity as indenture trustee, and that said instrument was signed in behalf of said company in its capacity as indenture trustee, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said company, as indenture trustee, as duly authorized.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

JW Scobie

My commission expires:

Jan 31, 2017

Notary Public - State of Minnesota
Printed Name: Jennifer Widmyer Scobie



ACKNOWLEDGMENT

STATE OF Rhode Island
COUNTY OF Providence) SS.

On this 1st day of April, 2015, before me, the undersigned, a Notary Public, appeared Matthew T. Jerzyk, to me personally known, who, being by me duly sworn, did say that he is the City Solicitor of **CITY OF CENTRAL FALLS, RHODE ISLAND**, a municipal division of the State of Rhode Island, and that said instrument was signed on behalf of said City by authority of its _____, and said _____ acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said City as duly authorized by its managers.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Lisa A. Dias
Notary Public - State of Rhode Island
Printed Name: Lisa A. Dias

My commission expires:

12-5-15

ACKNOWLEDGMENT

STATE OF Rhode Island
COUNTY OF Providence) SS.

On this 2nd day of April, 2015, before me, the undersigned, a Notary Public, appeared Leonard Morganis, to me personally known, who, being by me duly sworn, did say that he is the A.F.O. of **CITY OF CENTRAL FALLS, RHODE ISLAND**, a municipal division of the State of Rhode Island, and that said instrument was signed on behalf of said City by authority of its _____, and said _____ acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said City as duly authorized by its managers.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Lisa A. Dias
Notary Public - State of Rhode Island
Printed Name: Lisa A. Dias

My commission expires:

12-5-15